JOURNAL

March 2002

Smolt transport may save 2001 salmon runs

Future returns of salmon that migrated downstream in the drought year of 2001 "might not be as bad as a lot of people have predicted," Bill Muir of the National Marine Fisheries Service told the Northwest Power Planning Council at a recent meeting. Due to drought conditions and the power emergency, the survival rate of the fish that migrated in the river was very low, from about 27 percent for chinook salmon to 4 percent for steelhead. Because of the power emergency, spill was only about 20 percent of planned levels. Low flows, warm water and predation reduced some stocks by 30 to 40 percent early in their journey down the river.

The good news is that most Snake River fish were barged or trucked past all the dams in 2001. And for those fish that migrated in-river, most originated in the lower river and were subject to a shorter migration and less exposure to the adverse in-river conditions. Best of all, it appears that favorable ocean conditions awaited them. Ocean temperatures have cooled, and fish that prey on salmon and steelhead have been decreasing. As ocean conditions have improved, fish returns have increased. For example, 2000 and 2001 recorded some of the highest numbers of returning adults to Bonneville Dam since 1938. The recent proportion of returning adults relative to the number of juvenile outmigrants is within the range observed before Snake River dams were constructed.

NMFS scientists said that they had difficulty isolating the effects of low spill from other conditions. These included increased travel time down the river due to low flows, warmer water, predators, the timing of the spill compared to the timing of the migration and general seasonal trends in fish survival.

Budget holds more for fish

The Bonneville Power Administration has slated \$287 million in ratepayer funds for fish in this year's budget, a 13 percent increase over 2002. "There will be significantly more money for salmon restoration in the Columbia River, for research and monitoring in the Columbia Basin, for habitat improvement, including the estuary, and for restoring streamflows," observed Bob Lohn, Northwest regional director of

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the National Marine Fisheries Service. "We are moving in the right direction with the Northwest's salmon recovery efforts," said BPA Administrator Steve Wright. "We look forward to building on our progress along with our partners throughout the Northwest."

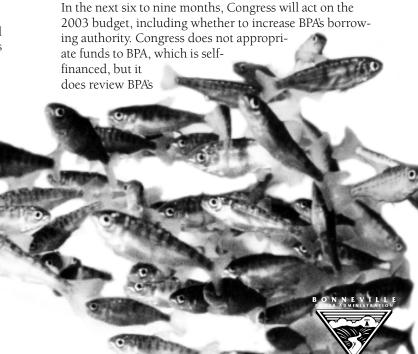
POWER ADMINISTRATION

2003 budget increases BPA borrowing authority by \$700 million

The president's budget for fiscal year 2003 includes an increase of \$700 million in BPA borrowing authority from the Treasury. BPA strongly supports the president's budget proposal.

BPA's transmission grid is stretched to its limit. Many federal hydro generators need repair and upgrading. Renewable resources, energy conservation, and fish and wildlife recovery all need capital investments. BPA normally finances capital investments with loans from the U.S. Treasury, which it repays with interest. But the agency is reaching the ceiling of its existing borrowing authority, last updated in 1983. BPA's capital needs for the next decade exceed its existing borrowing authority by about \$2 billion.

To get through this year, BPA throttled back modestly its capital construction program and is restructuring some of its debt portfolio to keep key projects on schedule. The \$700 million would delay BPA hitting its borrowing authority ceiling by about two years - 2006 instead of 2004. The agency needs about \$1.3 billion more to fund to completion its infrastructure projects planned to begin construction in the next five years.



budget and must approve changes in BPA's authorizations such as the amount of its borrowing authority. Last year, Congress considered but did not pass legislation to increase BPA's borrowing authority by the needed \$2 billion.

RTO West filing delayed

The Northwest Congressional Energy Caucus is planning a hearing in mid-March to address key aspects of the RTO (regional transmission organization) West proposal and results of the recent Benefit-Cost Study performed by independent consultant Tabors-Caramanis and Associates, which were expected to be completed by the end of February.

Meanwhile, RTO West filing utilities have agreed to defer the date for completing their Stage 2 filing with the Federal Energy Regulatory Commission from March 1 to late March. The new timeline will allow more time to consider and respond to comments, to host a final public stakeholder meeting and to have the benefit of congressional input before filing the Stage 2 documents with FERC. FERC is aware of the delay and, to date, has not raised concerns.

RTO West: why hydro's different

Regional Transmission Organization (RTO) West representatives explained just how different the Northwest's power system is from most of the nation's grid in a recent two-day workshop for the Federal Energy Regulatory Commission. Bottom line, it's the water that makes the Northwest system unique. The region's hydro-based system presents fundamentally different problems for power operations, compared to the oil, nuclear, natural gas and coal-fired "thermal" power sources used in most of the country.

FERC is working to develop a consistent model for RTOs to use across the United States. RTO West representatives want to make sure the commissioners understand why some ideas that make sense in other parts of the country might need a little fine-tuning to fit the Northwest, and have asked FERC to build flexibility into its model to accommodate this region.

Earth Day Expo will be a big deal

Columbia Sportswear, Tri-Met and Nike are among the corporate co-sponsors for BPA's Earth Day Exposition at the Oregon Zoo in Portland on April 28. Miss America 2002, Katie Harman of Gresham, Ore., will open the event. Entertainment will range from public television children's star Zoboomafoo to Afro-pop drummer Chata Addy. The Bonneville Environmental Foundation, the Green House Network and the Earth & Spirit Council are co-producers. The one-day expo will feature earth-friendly displays and exhibits, presentations by local experts and personalities,

music, food and games for kids. BPA is still soliciting cosponsors and exhibitors. For more information, see BPA's Earth Day Web site at www.bpa.gov/earthday.

Nuclear plant back online

The Columbia Generating Station returned to full power Feb. 25, after an unscheduled 10-day shut down to make repairs to a failed breaker on a backup diesel generator. While the plant was offline, operators checked other areas for potential problems and made several additional repairs. A team comprised of a Nuclear Regulatory Commission inspector and on-site inspectors analyzed the breaker failure and reviewed the design of new breakers that were installed during the plant's last regularly scheduled maintenance outage.

Wind storm cleanup continues

BPA crews are continuing to work hard on the coast and in the south end of the Willamette Valley this month to help BPA recover from a severe Feb. 7 windstorm. BPA's own power deliveries were restored within a few hours. But some customer facilities, such as the Santiam-Alvey line into Eugene, need substantial repair.

BPA customer utilities in and around Lane County, Ore., suffered more than \$3 million in damage from the storm. Emerald PUD's entire service territory was out for a short time. It took a full week to get the electricity back on to all the Lane County retail customers. One bright spot during the storm was an Emerald PUD warehouse where crews used a BPA fuel cell to keep going through the blow. In addition to light and heat, the fuel cell powered a cable puller that spools replacement distribution line onto crews' trucks.

Stateline event to promote renewables

On its way to becoming the largest wind farm in the world, Stateline wind farm on the Washington-Oregon border will host an event on April 2. BPA Administrator Steve Wright and representatives from BPA, PacifiCorp Power Marketing (PPM), elected officials and the media will visit the site to see the turbines and promote Northwest partnerships in windpower and renewable energy. BPA has acquired 90 megawatts of the project's output from PPM, a subsidiary of ScottishPower. PPM markets the rest of the output to other buyers, including Northwest utilities such as Seattle City Light. A separate corporation, FPL Energy Vansycle, constructed and operates the 263-MW wind generation facility. The wind farm's 399 turbines are located entirely on private farmland, which is also used for non-irrigated winter wheat and grazing.

PUBLIC INVOLVEMENT

STATUS REPORTS

Blackfeet Wind Project EIS, Glacier Co., Mont.

Work on the EIS has been stopped due to the estimated cost of energy, wheeling, transmission, and integration services from the project. Avian studies will be completed for use by the tribe and the developer. See www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/blackfeet for more information.

Cliffs Energy Project ROD, Klickitat Co., Wash.

BPA is analyzing whether to provide transmission integration services for a combustion turbine proposed by GNA Energy, LLC. The company would build the power plant, five miles of new natural gas line, and 700 feet of 230-kV transmission line to BPAs Harvalum Substation. Klickitat County issued a Mitigated Determination of Non-Significance in May 2001. A change in the project may require a supplement analysis and further public comment when details are known

COB Energy Facility Interconnect EIS, Klamath Co., Ore.

Peoples Energy Resources Corp. has requested interconnection of its proposed 1,200-MW combustion turbine project, to be constructed in two 600-megawatt phases, at a site near Bonanza in Klamath Co., Ore. Phase I is scheduled to energize in June 2004. The project is subject to Oregon EFSEC certification. A public scoping meeting was held on Jan. 15. Call to join the mail list.

Coeur d'Alene Tribe Trout Production Facility Project EA, Kootenai Co., Idaho

BPA proposes to fund design, construction, operation and maintenance of a trout hatchery and related facilities to provide off-site mitigation for salmon and steelhead losses on the mainstem Columbia River. The project is on hold while the tribe reevaluates its proposal based on Power Planning Council comments.

Conservation & Renewables Discount (C&RD) Program, Regionwide.

The updated 2002 C&RD Program Implementation Manual is now available on the Energy Efficiency/C&RD Web site at: www.bpa.gov/ Energy/N/projects/cr_discount/pdf/crdmanualv6(11-7-01)1.pdf. Proposed policy and technical changes can be submitted until June 15. Public meetings will be held this summer to take comments on proposed changes with decisions coming in the fall.

Federal Columbia River Power System Implementation Plan, Regionwide.

This is the federal draft plan for Columbia River Power System Operations in 2002-2006 to carry out biological opinions issued under the Endangered Species Act. Federal agencies closed comments on the draft plan on Sept. 28. See www.salmonrecovery.gov.

Fish and Wildlife Implementation Plan EIS, Regionwide.

This EIS examines potential impacts of implementing any of the fish and wildlife policy directions being considered in regional processes. BPA received public comments on the DEIS in summer 2001 (#0312); the final EIS is expected later this winter.

Grand Coulee-Bell 500-kV Transmission Line (Eastern Washington Reinforcement) EIS, Wash.

This project would replace about 84 miles of existing 115-kV transmission line with a new, higher capacity 500-kV line. The proposed line would connect BPA's existing Bell Substation in Spokane to the Bureau of Reclamation's Grand Coulee Switchyard at Grand Coulee Dam, and would be located primarily on BPA's existing right-of way. Public scoping meetings were held on Jan. 29, 30, and Feb. 6. Comments were taken until Feb. 15, 2002.

Grande Ronde and Imnaha Spring Chinook Project EIS, Wallowa and Union Cos., Ore.

This project would build fish trapping, rearing and release facilities to help restore spring chinook in the Lostine and Imnaha rivers of northeast Oregon. Planned facilities will modify and supplement

existing Lower Snake River Compensation Plan facilities. The public scoping comment period ended Jan. 31, 2002. A summary of the comments is available at www.efw.bpa.gov/cgibin/psa/nepa/summaries/granderonde. Or, to receive a copy, call the document request line at 1-800-622-4520 and leave a message including the project name and your complete mailing address.

Grizzly Generation Project EIS, Jefferson Co., Ore.

Cogentrix proposes to build a 980-MW combined-cycle combustion turbine power plant and has requested interconnection at BPA's Grizzly Substation. An EIS will be prepared evaluating easements for facilities servicing the project, including a 3,000-ft. easement for a 500-kV transmission line, a 14-mile easement for an underground water pipeline, and a 7,000-ft. easement for an underground natural gas pipeline. The U. S. Forest Service is the lead federal agency; BPA and the Bureau of Land Management will be cooperating federal agencies. Oregon EFSEC will cooperate in the environmental analysis by coordinating its siting process with the NEPA process. EFSEC held a public information meeting in January, and the U.S. Forest Service held a public scoping meeting Feb. 14; comments will be taken until March 15, 2002.

Horse Heaven Wind Project EIS, Benton Co., Wash.

BPA proposes to purchase up to 50 aMW from a 225-MW wind project proposed by Washington Winds Inc. The developer would build, own and operate the project and would build about 12 miles of transmission line to interconnect with BPA's transmission grid. Public comments were taken through Nov. 14, 2001.

Johnson Creek Artificial Propagation Enhancement EA, Valley Co., Idaho

This project seeks to recover the creek's depleted native summer chinook salmon population. It would include additional facilities at the McCall Fish Hatchery in McCall, Idaho, and acclimation facilities along Johnson Creek. Scoping concluded March 30, 2001. An EA will be available for public comment in fall 2002.

Kangley-Echo Lake Transmission Line Project EIS, King Co., Wash.

BPA proposes to build a 500-kV transmission line to connect an existing transmission line near Kangley to Echo Lake Substation. BPA's preferred alternative would run parallel to its existing Raver-Echo Lake 500-kV line. The project is needed to improve transmission system reliability and to meet requirements of the Columbia River Treaty with Canada. The comment period on the DEIS (#0317) closed Sept. 4. A final EIS is expected in spring 2002.

Maiden Wind Farm EIS, Benton and Yakima Cos., Wash.

Washington Winds Inc., proposes to build and operate a wind project of up to 494 MW north of Prosser. BPA proposes to acquire and transmit up to 50 aMW, but will study the full electrical output of the project. The DEIS is expected in March 2002. Web site: www.efw.bpa.gov/cgi-bin/PSA/NEPA/SUMMARIES/MaidenWindFarm.

McNary-John Day 500-kV Line Project EIS, McNary to John Day dams, Ore. and Wash.

BPÁ proposes to build about 79 miles of new 500-kV transmission line parallel to existing BPA lines between McNary and John Day Substations. The line would cross the Columbia River below McNary Dam, run parallel to the north side of the Columbia through Benton and Klickitat counties, and cross back into Oregon near John Day Dam. It is needed to integrate some of the many new generating projects considered for this area and to reinforce transmission reliability. Scoping closed on June 7, 2001. A DEIS is expected out for review in March 2002.

Mercer Ranch Generation Project EIS, Benton Co., Wash.

Washington EFSEC is conducting an environmental review of an 800-MW combined-cycle combustion turbine power plant proposed by Mercer Ranch Power, LLC, 11 miles west of Paterson, Wash. BPA would be required to build and operate a switchyard that would interconnect to the transmission grid. The project proponent has

MORE PUBLIC INVOLVEMENT

currently stopped all work on this project and it is indefinitely on hold. For information, see http://www.efsec.wa.gov/mercer.html.

Mint Farm Generation Project, Longview, Wash.

BPA is considering integrating power from Mint Farm Generation's proposed 319-MW combined-cycle combustion turbine project near Longview, Wash. BPA would build and operate about a quarter mile of new 230-kV transmission line. Public meeting was held Nov. 28. Comment closed Dec. 6. A ROD was issued on Feb. 14, 2002.

Plymouth Generating Facility EIS, Benton Co., WA

Plymouth Energy has requested interconnection of its proposed 306-MW combustion turbine project, to be constructed at a site near Plymouth in Benton, Co., Wash. BPA is preparing a joint NEPA/SEPA EIS with Benton, County. A public scoping meeting hosted by Benton County was held in Plymouth on January 24, 2002.

Raymond-Cosmopolis 115-kV Transmission Line EA, Grays Harbor and Pacific Cos., WA

BPA proposes to rebuild an existing 115-kV transmission line between Raymond and Cosmopolis, roughly parallel to Hwy 101. Most of the 18-mile long transmission line will remain within existing right-of-way, but some structures may be moved due to environmental or engineering constraints. A public information meeting will be held in April (not scheduled yet) and a preliminary EA will be available for public review in fall 2002.

Salmon Creek EIS, Okanogan Co., WA

BPA proposes to fund a project to enhance fish habitat and fish passage, and to increase instream flows in lower Salmon Creek, a tributary of the Okanogan River. The proposed project would include rehabilitating the stream channel, revegetating stream banks and increasing streamflows in the lower 4.3 miles of Salmon Creek. A public scoping meeting was held on Feb. 21, 2002. Comments will be taken through March 8. Call to be added to the mail list.

Santiam-Bethel Transmission Line Project EA, Marion and Linn Cos., Ore.

BPA proposes to rebuild 17 miles of the Santiam-Chemawa line from its Santiam Substation to the line's connection to Portland General Electric's Bethel Substation. BPA would replace the existing single-circuit 230-kV line with a double-circuit 230-kV line. The project would relieve overloads on the existing line in winter. BPA originally proposed a new line next to the existing line. As a result of public comments during scoping, BPA changed its proposal to a rebuilt double-circuit line. The EA and FONSI are available.

Schultz-Hanford Area 500-kV Transmission Line Project EIS, near Ellensburg to near the Hanford Reservation, WA

BPA proposes to build a new 500-kV line from Schultz Substation to a new or existing substation near the Hanford Nuclear Reservation. The project is needed to relieve constraints on several lines, provide more operational flexibility to meet endangered salmon obligations and maintain transmission capacity to import and export energy. Four routes are under consideration. Following public comments in scoping, BPA eliminated one potential route and identified a new option to avoid most irrigated farmland. A DEIS is available. Comments will be taken until March 25. Public meetings were held Feb. 26, 27, and 28, 2002.. See www.efw.bpa.gov under environmental planning/analysis.

South Fork Flathead Watershed Cutthroat Trout Conservation Program, Flathead National Forest, Mont.

BPA proposes to fund a project to remove exotic trout species from selected lakes in the South and Middle forks of the Flathead drainage and replace them with genetically pure westslope cutthroat trout. Call to join the mail list. Previously, this project was known as the Mountain Lakes Trout Restoration Project EA.

Starbuck Power Proj EIS, Columbia & Walla Walla Co., WA BPA proposes to build about 16 miles of 500-kV transmission line from the proposed Starbuck Power Plant to Lower Monumental Substation to connect the 1,200-MW, combined-cycle combustion turbine into the grid. Existing lines are near capacity. WA EFSEC is the lead agency for environmental review of the generation project; BPA has the lead on integrating transmission. A public scoping meeting was held in October 2001. A DEIS is expected in spring 2002. See www.efsec.wa.gov/starbuck.html.

Umatilla Generating Project EIS, Umatilla Co., Ore.

Umatilla Generating Čo., LP., proposes to build a 550-MW combined-cycle combustion turbine. Umatilla Electric Cooperative would reconductor about 11 miles of transmission to 230-kV, and build about a half mile of new 230-kV line to BPA's McNary Substation, where BPA would integrate the power into the grid. The DEIS comment period ended Oct. 15. A final EIS is available. See www.efw.bpa.gov/cgi-bin/PSA/NEPA/summaries/Umatilla.

Wallula-McNary Transmission Line Project EIS, Walla Walla Co., Wash., and Umatilla Co., Ore.

BPA proposes to build 34 miles of 500-kV transmission line from a 1,300 MW combined-cycle gas-fired combustion turbine proposed by Wallula Generation, LLC in Wallula, Wash. to McNary Substation in Ore. BPA also proposes to construct and operate the Smiths Harbor Switchyard to interconnect the output into the transmission grid. BPA is working with Wash. EFSEC on environmental review. A DEIS was released to the public on Feb. 22, 2002. Comments on the proposal will be accepted until April 11. Public meetings are scheduled for March 13 in Burbank, WA and March 14 in McNary, OR. See www.efsec.wa.gov/wallula.html..

Wanapa Energy Center Generation Proj. EIS, Umatilla Co.

The Confederated Tribes of the Umatilla Indian Reservation have requested interconnection of the Wanapa Energy Center, a proposed 1,000-MW gas-fired combined-cycle combustion turbine project, into the transmission grid. The project would be located on tribal trust land. The Bureau of Indian Affairs plans to prepare an EIS on the project and BPA has requested to be a cooperating agency. BIA held public meetings in Oct. and Nov. DEIS is expected April 2002.

SUPPLEMENT ANALYSES

Vegetation Management EIS:

· Along Marion-Alvey #1, Eugene, Ore. (SA-27)

Watershed Management EIS:

 Gourlay Creek Fish Ladder Project. Columbia Co., OR (SA-75)

Wildlife Management Program EIS:

CALENDAR OF EVENTS

Wallula-McNary 500-kV Transmission Line EIS:

Public Meetings on DEIS: Columbia Middle School, 835 Maple St., Burbank, WA, 6-9 p.m., March 13; Umatilla Rural Fire District Station #2 (McNary), 305 Willamette Street, McNary, OR, 6-9 p.m., Mar. 14.

If you have questions or comments, or to be added to the mailing list for any project, call (503) 230-3478 (Portland) or 1-800-622-4519.

Indicates the comment period has closed. Indicates a public meeting is scheduled. Indicates a document is available. To order copies of documents, call: 1-800-622-4520 or (503) 230-4413. Written comments may be sent to: BPA, P.O. Box 12999, Portland, OR 97212. E-mail address: comment@BPA.gov BPA home page: http://www.bpa.gov. For details on BPA environmental reviews listed above, including site maps and documents issued to date, see http://www.efw.bpa.gov/cgi-bin/PSA/NEPA/Projects. Process Abbreviations: DEIS-Draft Environmental Impact Statement, EA-Environmental Assessment, EFSEC-Energy Facility Site Evaluation Committee, EIS-Environmental Impact Statement, FONSI-Finding of No Significant Impact, NOI-Notice of Intent, ROD-Record of Decision, SA-Supplement Analysis.



